



6450-01-P

## **DEPARTMENT OF ENERGY**

### **Western Area Power Administration**

#### **Central Arizona Project- Rate Order No. WAPA-158**

**AGENCY:** Western Area Power Administration, DOE.

**ACTION:** Notice of Proposed Extension of Transmission Formula Rates.

**SUMMARY:** The Western Area Power Administration (Western), a power marketing administration with the Department of Energy (DOE), is proposing to extend the existing formula rates for Central Arizona Project (CAP) transmission services on the CAP 115-kilovolt (kV) and 230-kV transmission facilities through December 31, 2015. The existing Transmission Service Formula Rate Schedules CAP-FT2, CAP-NFT2, and CAP-NITS2, expire December 31, 2012. This notice of proposed extension of rates is issued pursuant to 10 CFR part 903.23(a). Publication of this Federal Register notice begins the formal process for the proposed extension of the CAP Transmission Formula Rates.

**DATES:** The consultation and comment period will end on **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN FEDERAL REGISTER]**. Western will accept oral and written comments any time during the consultation and comment period. In accordance with 10 CFR part 903.23(a), Western has determined it is not necessary to hold a public information or public comment forum.

**ADDRESSES:** Send written comments to: Deborah Emler, Acting Regional Manager, Desert Southwest Customer Service Regional Office, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, e-mail [EMLER@wapa.gov](mailto:EMLER@wapa.gov). Written comments may also be faxed to (602) 605-2490, attention: Jack Murray. Western will post official comments received

via letter, fax and e-mail to its website at

<http://www.wapa.gov/dsw/pwrmt/CAPTRP/CAPTRP.htm> after the close of the comment period. Western must receive written comments by the end of the consultation and comment period to ensure they are considered in Western's decision process.

**FOR FURTHER INFORMATION CONTACT:** Mr. Jack Murray, Rates Manager, Desert Southwest Customer Service Regional Office, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, (602) 605-2442, e-mail [jmurray@wapa.gov](mailto:jmurray@wapa.gov).

**SUPPLEMENTARY INFORMATION:** By Delegation Order No. 00-037.00, effective December 6, 2001, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the Administrator of Western; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to the Federal Energy Regulatory Commission (FERC).

The existing Rate Schedules consist of separate transmission service rates for firm point-to-point transmission service, non-firm point-to-point transmission service, and Network Integration Transmission Service (NITS) on the CAP 115-kV and 230-kV transmission system. Rate Schedules CAP-FT2, CAP-NFT2, CAP-NITS2, Rate Order No. WAPA-124,<sup>1</sup> were approved for a 5-year period beginning on January 1, 2006, and ending December 31, 2010. Rate Order No. WAPA-153<sup>2</sup> extended these rate schedules for a 2-year period, beginning January 1, 2011, and ending December 31, 2012.

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<sup>1</sup> FERC confirmed and approved Rate Order No. WAPA-124 on June 29, 2006, in Docket No. EF06-5111-000. See *Order Confirming and Approving Rate Schedules on a Final Basis*, 115 FERC ¶ 62,326.

<sup>2</sup> 76 FR 548 (January 5, 2011).

The existing formula transmission service rates provide adequate revenue to pay all annual costs, including interest expense, and to repay investment on the CAP 115-kV and 230-kV transmission facilities within the allowable periods. The rates are updated annually using updated financial and transmission reservation data. Western is proposing no change at this time to the rate formula, and based on preliminary financial and contractual information available, it is expected the rate will remain at its current level through calendar year 2013. Since no changes are anticipated to the formula rate, and the existing rate provides sufficient revenue to recover all appropriate costs, Western proposes to extend the current rate schedules pursuant to 10 CFR 903.23(a).

All documents made or kept by Western for developing the proposed extension for the Transmission Service Rate Schedules are available for inspection and copying at the Desert Southwest Customer Service Regional Office, Western Area Power Administration, 615 South 43<sup>rd</sup> Avenue, Phoenix, AZ 85005-6457. These documents are also available on Western's website at: <http://www.wapa.gov/dsw/pwrmt/CAPTRP/CAPTRP.htm>.

After review of public comments, Western will take further action on the proposed extension of rates consistent with 10 CFR part 903.

Dated: July 31, 2012

Anthony H. Montoya  
Acting Administrator

